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MEMORANDUM

TO: Public School Superintendents and Business Managers

FROM: Dr. Melody Schopp, Secretary

DATE: April 16, 2013

RE: Notice of intent to request a waiver related to the carryover

limitation in section 1127(b) of the ESEA

This memorandum serves as notice that the South Dakota Department of Education (SD DOE) intends to submit a request to the U.S. Department of Education (US ED) to waive section 1127(b) of the Elementary and Secondary Education Act (ESEA).

Prior to submitting this waiver request, SD DOE is required to provide all interested Local Education Agencies (LEAs) in South Dakota with notice and a reasonable opportunity to comment on the request. SD DOE will submit all comments it receives related to this request from the LEAs to US ED along with its waiver request.

Section 1127(b) limits a State Education Agency's (SEA) authority to waive the LEA carryover limitation contained in section 1127(a) to once every three years. Section 1127(a) limits the amount of funds an LEA may carryover from one fiscal year to the next, to no more than 15 percent of its Title I, Part A allocation.

The waiver that SD DOE is pursuing would allow SD DOE to waive an LEA's Title I carryover limitation again this fiscal year, even if the LEA received a waiver from the state in either of the prior two fiscal years.

Comments related to this request should be sent to the attention of Betty Leidholt, South Dakota Department of Education, 800 Governors Drive, Pierre, SD 57501 or by email to betty.leidholt@state.sd.us. Comments will be accepted until May 3, 2013.

The sequester has resulted in uncertainty about the amount of federal fiscal year 2013 Title I, Part A funds that will be available for use by LEAs primarily in the 2013–14 school year. This waiver would give LEAs the ability to carryover more of their federal FY 2012 funds for use in the 2013-14 school year. An LEA would still need to apply to SD DOE to request the additional waiver and indicate that the request is reasonable and necessary in the face of a likely reduction in its FY 2013 Title I, Part A allocation due to the sequester.

The state has just learned of this opportunity to request a waiver and would like to move on it as quickly as possible.